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(San Francisco, California)

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THE WHITE HOUSE

REMARKS OF THE PRESIDENT
AND

QUESTION AND ANSWER SESSION
AT THE
WORLD AFFAIRS COUNCIL LUNCHEON

ST. FRANCIS HOTEL

1:28 P.M. PDT

THE PRESIDENT: Mr. Mersman, Mrs. Feinstein, distinguished guests, particularly our guests from the People's Republic, ladies and gentlemen:

It is a great privilege and a very high honor to have the opportunity of joining you on this occasion, and I thank all of you for the honorary membership in your organization, and I am deeply grateful also for being a transmittal belt for my long, overdue membership card in the Grand Rapids World Affairs Council.

This morning I had an opportunity to announce a very important proposal for a \$100 billion Government corporation to work through the private enterprise system to develop energy independence for the United States by 1985.

It is spelled out in a detailed bill which I will send to the Congress next week. It is my very deep conviction that the United States must not surrender its destiny to those foreign nations on which we now depend for oil. We must move very decisively to give foreign nations a new look at what Americans can do with their great resources when we set out to do it.

The program I envision would enhance America's future at both home and abroad. It would serve the national interest of the United States and would safeguard American jobs and the American economy. I envision a dramatic crash program to develop coal, nuclear and other sources of energy, such as geothermal power, which I saw last spring on my visit here to this part of California, and including oil shale resources which alone are more vast in their potential than all the oil resources of the Middle East. Without such energy independence authority, which would be a Government corporation, our vast natural energy resources may be developed too late to bolster America's leadership in the world for the rest of the 20th century.

As America completes its first 200 years as a nation, we must resolve to solve our energy problem. It is the key to our future.

White House

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At home and in our relations with the rest of the world, it is my conviction that energy independence is vital to protect ourselves against any arbitrary price increases or future embargoes by foreign nations. It is the way to end an intolerable situation in which America's export last year totaled more than \$25 billion to pay for imported oil while plentiful energy is potentially available to us here at home.

The money we now pay out to foreign oil in one year would put over one million more Americans back to work. We must have the earliest possible action to spend these rapidly growing sums at home and to strengthen America domestically as well as internationally.

With those observations, I will be glad to respond to questions.

QUESTION: Mr. President, my name is William Sumner and I am not sure what Mr. Mersman meant by my associations but for your sake I am a registered Republican.

THE PRESIDENT: I appreciate that. We need more in California. (Laughter)

QUESTION: Well, I have worked on getting a tough question for you. Over the years, Mr. President, foreign aid programs have proved themselves quite long lasting and very costly, some have met with success, probably many others have met with obvious failure. Very clearly, the American electorate is disillusioned with foreign aid and both parties have promised to cut it back as best they can.

However, every Administration has favored foreign aid at some time or another, frequently to buy itself out of a jam overseas. The recent Sinai Accord can be said in part to follow this example and I deliberately use the Sinai example to make the question as tough as possible. We all hope it works, but, Mr. President, in balancing the near term practical usefulness against the huge cost and the growing unpopularity of foreign aid, do you think it is realistic for the American electorate to expect perhaps some cut in the foreign aid bill during the remainder of your five-year Administration? (Laughter)

THE PRESIDENT: Let me assure you that at the time that Secretary Kissinger and I had to make some very hard decisions on what we could do to help facilitate the negotiations between Israel and Egypt, we took into consideration the request by both countries for us to make available not more than 200 technicians in the UN buffer zone plus the prospects of substantial economic and military aid to the State of Israel and to some extent, the same to the State of Egypt.

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Let me say that, as we analyze the alternatives -- and the alternatives were simply two -- if we did not play a meaningful role in what we have recommended to the Congress, it would be my judgment that the stalemate in the Middle East would continue with all of the potential volatility, increasing tensions and the high likelihood of another military conflict and each one seems to get bloodier and more costly. That was one alternative.

The other choice was to do what we have recommended to the Congress. I believe it is a good investment in momentum and a long range possibility of an equitable and secure peace in the Middle East. I believe that it is a way in which we can participate in a fair and proper way to achieve the momentum and to hopefully avoid a conflict. And in balancing the difficult choices, the decision by myself, and with Secretary Kissinger, was that this is a better course of action.

And may I say that it is going to be costly, but the general figures used are somewhere between \$2 billion to \$2.3 billion for economic and military assistance for the State of Israel.

I only point out that earlier this year at the time that I was conducting the reassessment of our Mideast policy, I received a letter signed by 76 Senators asking me to make certain that I recommended \$2,600,000,000 for Israel without any participation by Israel in the negotiations with Egypt.

So, going by what 76 Senators felt was a proposal of some magnitude in money, I believe the decision to work with Israel and Egypt to achieve peace -- and I think it is a good, solid program -- it is a better investment than more money being spent, as 76 Senators requested us to do, without any program for momentum of peace in the Middle East. I think it is a good gamble for peace.

The other would be a very difficult potential problem of a high likelihood of war. I think it is the right action and I hope the Congress promptly and overwhelmingly approves, number one, the 200 technicians to serve in the UN buffer zone, and also the necessary amount which, of course, the Congress can decide. But I think it is a good gamble for peace and I hope the Congress responds.

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QUESTION: My name is Robert Gomperts, and I am a member of the Trustees of the World Affairs Council of Northern California.

In a few months time you are scheduled to travel to Peking, and at the moment there is one overriding issue and I would say at least two major issues outstanding between ourselves and the PRC.

The overriding issue is the question of recognition. The major issues are the frozen assets and an end to discriminatory tariffs on goods coming from the PRC.

Do you feel that these issues will be solved during your trip to Peking and, if not, do you feel that your trip to Peking is in the national interest, sir?
(Laughter)

THE PRESIDENT: I wouldn't go if I didn't think it was in the national interest. (Laughter) The precise agenda for the visit by myself to the People's Republic has not been laid out. Preliminary work has been done, and it will probably be finalized in a prospective earlier trip by Secretary Kissinger to Peking.

There has been no final determination as to the items that will be on the agenda. Of course, all that has taken place since the re-establishment of a relationship has followed the Shanghai announcement, and I believe that we are proceeding--the two countries--within the confines of the Shanghai communique.

I would expect that the progress we have made will continue within those constraints, but I am not in a position at this time to give you the details of what the agenda will be except I expect -- and I am sure that the People's Republic expects -- headway and progress and the furtherance of better relations.

Yes, sir?

QUESTION: Mr. President, I am Alexander Dallin. I teach at Stanford University.

Mr. President, you have been quoted as saying there may be circumstances under which it may be proper to intervene in the affairs of other countries.

THE PRESIDENT: Excuse me, I didn't hear that. Involve ourselves in what?

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QUESTION: In the affairs of other countries. Since the statement -- if in fact you are quoted correctly -- may provoke some controversy, I wonder whether you might care to specify some circumstances or principles involved that you have in mind?

THE PRESIDENT: It has been traditional in this country, certainly since prior to World War II, during World War II and subsequent to World War II, for the United States to, in one way or another, involve itself directly or indirectly in the affairs of other countries.

In each case, regardless of the individual who was President, it was determined by responsible people that such action involved our national interest. I know there has been controversy about what has been done in one or more countries, but it is my judgment that if properly handled, and with a correct and a very certain relationship to our national security, we should not rule out responsible action in this area.

But, for me to write a prescription here with the great variety of circumstances that prevail, that have prevailed and undoubtedly would prevail, I think it would be unwise.

This is a critical and crucial area where on some occasions what we have done we have been very successful, and it has been to the benefit of the United States and unfortunately in some instances we have had some disappointments.

But, to categorically rule it out or even to prescribe a specific limitation here I think would not be proper for the President of the United States. I am not ruling it out. I am not saying what we are going to do, except there have been some benefits and, if there are, related to our national security, I think we ought to do it.

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QUESTION: President Ford, my name is Neil Joeck. I have no formal affiliation.

I would like to ask a question following up what you just said, I think. Do you plan to take positive steps to discourage those American allies that use torture as a means of political oppression?

THE PRESIDENT: I can't help but ask myself this question. What precise authority do I have as President or we as a Nation to interfere directly with the internal and domestic actions of other nations? We have been criticized on many occasions for being too involved with the internal or domestic operations of one nation or another. I deplore it, I condemn it, but I hesitate to say that the United States should take an affirmative action every time torture, as we understand it, is inflicted upon a citizen or group of citizens of 140 other nations.

We don't like it. We hope it doesn't continue, but for us to be that precise a policeman in every one of 140 some nations of the world, I think would not be approved by a majority of the American people.

QUESTION: Mr. President, my name is Donald Davis. I am President of the Santa Clara Valley World Trade Club.

You, in your opening remarks, have alluded to the problems concerning energy independence. Perhaps related to this issue of energy independence are the Sinai Accords and a much broader picture for the coming years is to attract the leadership role which the United States intends to assume, vis-a-vis the third world countries in connection with their aspirations for redistribution of the world's wealth.

I know that you have spoken at the United Nations and other places on this subject but I would appreciate your personal comments, assuming that you were to continue in office, that what you believe our leadership role would be in attempting to meet the needs for redistribution of the world's wealth, assuming that there is some need, and to meet the aspirations of these countries?

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THE PRESIDENT: I don't believe that we should, as a Nation, participate in the redistribution of world resources. I don't think that ought to be our objective. Our attitude as a Nation was submitted to the United Nations in their special get together about ten days ago by Secretary Kissinger. This was a practical answer to the third world request for economic understanding, political understanding.

There appeared, prior to Secretary Kissinger's presentation, the distinct possibility that there would be a head-to-head confrontation between the United States and the other industrial nations of the world in the third world, because the underdeveloped or third world nations were complaining very bitterly about the fact that their natural resources, whether it is bauxite, tin or coffee, or a multitude of other natural resources were getting a fair shake in the world, at least from the industrial nations. What they wanted, really, was the establishment of a new world economic order. I don't believe the United States should commit itself to a new world economic order.

We believe, as it was expressed in Secretary Kissinger's prepared text, that we should take the individual resources such as bauxite, or tin, or copper, et cetera, on a practical case by case example, try to find through negotiations a proper way for those nations to participate in the growing world opportunity for a better life for all their people. And the net result of the Secretary's presentation was that instead of a head-to-head irreconcilable confrontation, the attitude and the atmosphere at the United Nations was totally different, and it is my opinion that that good feeling and better understanding will be productive in the subsequent meetings of the United Nations and that we ought to carry on as we said we would, working with those nations in some way to make sure they don't have the peaks and valleys of high prices and over-abundance and that they can have a relatively stable return, not under the umbrella of a new world economic order, but under some practical negotiated agreements that will take care of the real problems in each instance.

QUESTION: Mr. President, my name is Barney Rocca, Jr. I am a member of the World Affairs Council, the Commonwealth Club and a past President of the World Trade Association of The Greater San Francisco Bay area.

My question relates to the business in which I am personally engaged, which is foreign trade and agricultural commodities. There has been much discussion recently about the trade embargo on agricultural commodities.

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My question is, why should not our agricultural producers have free access to the world markets for their production, the same as other producers of non-strategic materials?

A second part to the question is how do you construe the Congressional attitude on this issue?

THE PRESIDENT: I made a fairly complete speech out in Oklahoma -- I guess it was Friday (Laughter) -- on this precise subject, and let me summarize it for you. I believe that we should sell our agricultural abundance, not only domestically but internationally, in the free market-place at fair prices for the farmer. The best way to insure the utilization of full production for our farmers is to find assured markets.

We have a three-year agreement which was just renewed with Japan for an agricultural purchase program by Japan. We have other such relationships with other foreign countries. The big problem is that of the Soviet Union.

If you go back to 1972-1973, you will find that the Soviet Union bought corn, wheat, et cetera, at a relatively low level. And then they went up to the 1972-1973 figure of roughly 13 billion metric tons and then they went down in 1973-1974 to a figure -- if I recall accurately -- of around 3 million metric tons. Then the next year they went up to another figure. This year they have already bought 2.3 million metric tons of grain from the United States and they want to buy some more.

These wide fluctuations are not healthy for the American agriculture. They are not healthy for the farmer because he ought to have some assurance, practical assurance, that what he produces is going to be purchased. So we are in the process now with a "temporary suspension of sales to the Soviet Union" -- temporary assuming we reach an agreement -- to be based on the signing of a long-term agreement -- five years perhaps -- with an assured guaranteed mandatory purchase by them with potentially an option to buy more. If we work this agreement out, I think you will find a far healthier relationship between our farmers in their markets, a far better relationship between our country and the Soviet Union and an overall advancement of a better world.

This, I think, is the kind of utilization of our great abundance that we can say with pride is part of an affirmative, constructive relationship with not only one country but many others, to the benefit of the farmer and a healthier relationship the farmer has with the rest of us Americans.

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So I hope within the next week, perhaps, or more, hopefully the sooner the better, we will sign an agreement. It looks optimistic, it looks encouraging and, if we do, I think both the producer and the consumer at home and abroad will be better off.

QUESTION: Mr. President, my name is Fudah Hayati. I am a member of the Northern California Worlds Affairs Council, and I have a two-part question.

This country was instrumental in bringing about detente in the Middle East with the Sinai Accord between Egypt and Israel. Can you see this country playing a similar role in Southern Africa, specifically between Rhodesia and the liberation movement?

The second part of the question is in light of the reports of U.S. Marine maneuvers in the Mojave Desert carrying out desert warfare, is there a possibility that U.S. troops would become involved in the Middle East if detente did not hold?

THE PRESIDENT: I see no prospects of the United States military forces participating in the Middle East. I see no reason for that to take place. We are on a course of action which if successful -- and I believe it will be -- that will preclude that.

The United States has been trying to work, not only in the United Nations, but elsewhere, in the settlement of some of the very serious problems in Africa between Rhodesia and South Africa and the nations that are emerging in Africa.

Unfortunately, there are some very serious problems, but I can assure you that our best efforts will be utilized in that area as they have been in the Middle East.

QUESTION: I am Paul Zinner, and I teach at the University of California at Davis. I am also a member of the World Affairs Council.

Mr. President, I wonder if you would give us some insight into the policy considerations that led you to agree to a Helsinki summit in the middle of the summer pretty much on Mr. Brezhnev's timetable, and I wonder if you could also give us a brief reading on the state of detente since Helsinki?

THE PRESIDENT: The timing of Helsinki was not important. The substance of Helsinki, both in the language and the spirit, those are the important things.

The meeting in Helsinki between 35 nations came about because of two or three years of very detailed negotiations between East and West and the various amendments, the various compromises in my opinion, have led or have the potential of leading to a better relationship between East and West, whether it is the confidence building provisions, whether it is the relationship of one nation to another and the freedom of information, the greater freedom of access, the greater freedom of things that were involved.

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The language is all right and, as I said in Helsinki, the language we approve of, what has to be certain is that the spirit coincides with the words and there is to be a meeting in two years where there will be a review of all of the participants to see whether the language which was signed in Helsinki is carried out in the 24 months.

And the test is performance. I am optimistic and I believe that if we keep pressure on that we can say that Helsinki was a big plus. If the spirit doesn't exist the words mean very little. But I am optimistic that world pressure will force all nations that participated to have the spirit coincide with the language.

Now the status of detente, detente was not initiated as a solution to every problem in the world or every problem bilaterally between the United States and the Soviet Union, but it has been extremely helpful in a number of instances as a line of communication, as a means of relaxing tensions and as a vehicle for the solution of problems between the Soviet Union and the United States.

I believe that SALT I was a significant step forward, I believe very strongly that the agreement at Vladivostok where Mr. Brezhnev and myself agreed for a cap of 2400 on launchers in strategic vehicles and a 1320 limitation on MIRVing. SALT II is now moving along at the technical stage and there will have to be some very important decisions made between now and when the final agreement is achieved, if it is achieved, and I hope it will.

I think detente has been successful. It hasn't solved every problem but we are a lot better off, in my honest judgment, than to go back to the old days of the Cold War where we talked harshly to each other, we condemned each other, we threatened one another. I don't think the United States and the Soviet Union ought to go back to the Cold War circumstances that prevailed. But I reiterate, we can't expect every problem that comes up to be solved by it.

All we can do is work at it and I can pledge to you and to others we will do our utmost to make sure that detente is mutually beneficial to each country at no sacrifice of national security in either case and of tremendous, immense benefit to the world as a whole. We will do the very best we can.

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QUESTION: Mr. President, my name is Bill Wainwright. I am a member of the World Affairs Council and also a registered Republican in the John Baldwin mode from Martinez, California.

I have a question about the House select committee's investigation of the Central Intelligence Agency and their review having publicly demonstrated certain mistaken intelligence assessments on the likelihood of a break-out of war between the Arabs and Israel in 1967.

I am wondering if you intend to facilitate this committee's further investigation along these lines.

THE PRESIDENT: Let me make several comments, and then I will try to answer the precise question.

In the first instance, you must understand that all of the intelligence agencies -- the CIA and the others -- have responded to the Pike committee's request for classified information.

There has been no reluctance on our part to give to that committee all of the requested intelligence information, and I think they recognize that.

I can assure you of a second point -- that under no circumstances will there be any action by me or people working with me to use the classification process to prevent the exposure of alleged or actual criminal action by any Federal authority.

Secondly, there will be no action by myself or my associates to classify so that we protect errors, mistakes that were made over the last 28 years since the CIA was established by law.

The real problem is not their having this classified information. The problem is how they have to use it for the legislative purpose for which the committee was established.

Since they have all of the information, it is not automatically necessary that they make it public. They can examine it in committee, and they can determine from such an examination all of the information that is needed for the legislative purpose for which the committee was established.

I have no reluctance at all, if we could just put a circle around the United States, and give 214 million Americans all of the material as to sources of intelligence, techniques of intelligence, procedures of intelligence. I would have no reluctance whatsoever, if we could confine it to 214 million Americans. But I just don't think that is very practical. (Laughter)

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Some of this information is so sensitive that a few years ago the Congress passed a law saying that any communications intelligence -- that is a very technical term, but it is very significant -- if divulged by any individual except to Congress -- and it should, and I am not alleging they are violating the law but that kind of intelligence -- its source, its techniques, its procedures was made a serious criminal offense by Congress itself, and it is the judgment of a number of the technically qualified people in the intelligence area that there was an error made in the release of some information out of the stacks of classified information we gave them because it probably had the impact of making available some communications intelligence information.

What we have to do is to sit down, not with one committee of the Congress, not one subcommittee, because there are 300 subcommittees and full committees of the Congress. If every one of them established different rules on how we were going to handle with them this highly classified information, I think you would probably have 300 different rules of declassification.

So, what we have to do -- and I can assure you, as others -- we have to find a way of getting a uniformity in the handling of classified information by the Congress and the 300 committees and subcommittees and the Executive Branch so that what is essential can be made public and what is so sensitive that it should not, if we can't do that, after 200 years of cooperation between the Executive and the Legislative Branch, something is wrong.

I am an optimist, but it is a very serious matter. I am not going to be a participant in destroying the effectiveness of a good United States intelligence agency because that involves our national security, period.

One more, I guess.

QUESTION: Mr. President, my name is Clark Maser. I am a member of the World Affairs Council and an elderly skier. (Laughter)

What steps should the United States take if the State of Israel is expelled from the United Nations, which has been threatened by the so-called tyranny of the majority? Should we withdraw in that case all financial support to the United Nations or should we withdraw from the United Nations?

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THE PRESIDENT: I, as well as Secretary Kissinger, have strongly spoken out against the threats that primarily came from the nonaligned nations. The attitude that we expressed toward the nonaligned underdeveloped nations has, to a substantial degree, softened some of the prospective actions that were anticipated in the United Nations.

You don't find that pushing quite as hard today as it was six months ago or a year ago.

Now, we believe in the universality of the United Nations, and I don't believe nations should be kicked out because the majority have a grudge or an adverse point of view. You can't make the United Nations do its job, perform its function, if a simple majority in the General Assembly can just arbitrarily decide that that nation ought to be kicked out.

I totally disapprove of that procedure, and this country, as long as I am President, will strongly, vigorously fight against any such action against any nation, and we have said this particularly in reference to Israel.

I believe our firm stand, the efforts of Secretary Kissinger at the second session has pretty well diluted the prospective action concerning Israel in 1975. If there is any reaffirmation of what appeared to be an action, we will vigorously fight any action by the General Assembly, and we will take a strong stand, the strongest possible stand in the Security Council.

Thank you very, very much.

END (AT 2:10 P.M. PDT)

SEPTEMBER 20, 1975

OFFICE OF THE WHITE HOUSE PRESS SECRETARY
(Los Angeles, California)

THE WHITE HOUSE

INTERVIEW WITH THE PRESIDENT
BY
BOB ABERNETHY
JESS MARLOW
WARREN OLNEY
KNBC-TV

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CENTURY PLAZA HOTEL

8:57 A.M. PDT

QUESTION: Good evening and welcome. I am Bob Abernethy, KNBC News. To question the President are KNBC news reporters Jess Marlow and Warren Olney.

Mr. President, welcome.

A prominent California Republican said the other day that he thinks it would be healthy for the Republican Party if Ronald Reagan were to try to get the GOP nomination for the Presidency. Do you agree with that?

THE PRESIDENT: I don't see any serious problems in that regard. I have always thought that competition in the political arena was healthy for the candidates and for the Party. I certainly feel that former Governor Reagan and myself are close enough personal friends that we can have any competition without having a divisive impact on the Party. So competition being good for candidates and the Party, I think, under our system, I see no serious harm in that regard.

QUESTION: More and more people are saying they think it is inevitable that Governor Reagan will run. Do you share that view?

THE PRESIDENT. I really should not pass judgment on what he will or won't do, so since that is a judgment on his part, I think we ought to wait and see.

QUESTION: Mr. President, you suggest the competition would be healthy. Indeed are we not seeing some of that competition right now with your concentrated schedule in California?

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THE PRESIDENT: My efforts here, as part of the responsibility as President that I have to talk to groups in the education field, the labor field and other areas and I also feel it is a part of my responsibility on this trip to help the party per se, to help get the party strengthened in the responsibility it has for organization as well as fund raising. There is nothing in this trip that relates to my candidacy as such.

QUESTION: Mr. President, is there any question in your mind that if you went head-to-head in the primary in New Hampshire, Florida and other places, that you could beat him?

THE PRESIDENT: I don't like to forecast what I will do in the political race, I am confident the policies we have for the country, the policies that we are trying to implement domestically and foreign policy-wise put us in a pretty good position against any competition within and without the party.

QUESTION: In the event Governor Reagan should defeat you in New Hampshire and Florida, how serious a blow would that be to your efforts to get the nomination?

THE PRESIDENT: I don't speculate about defeat, I look at it affirmatively that we will do well in any of the primaries, whether New Hampshire, Florida or otherwise, just as I feel the policies we are trying to implement for the country will be favorable and, therefore, we don't analyze what will happen if we don't do well.

QUESTION: How do you see the result of the Senatorial race in New Hampshire? A lot of people will say it was a rebuke to your policies.

THE PRESIDENT: I don't feel it was necessarily. The opposition was extremely well-organized up there. They got out roughly 30,000 more votes for Durkin than they got in 1974 in November. Strangely enough, Louis Wyman got about three or four thousand more votes than he got in November, so it was really an organizational effort rather than the ideology of the Administration being repudiated.

QUESTION: Both you and Governor Reagan campaigned there, though. That is about as heavy an artillery as your party could have brought in.

THE PRESIDENT: Yes, and I got a very favorable response from the people of New Hampshire, for which I am very grateful. I don't think that response, or the result really entered into that election as such and the technical adviser to the Democratic Party, Dick Scanlon, discounted any impact on a national level from that particular election.

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QUESTION: Mr. President, one more Reagan question. Your friend, indeed your host for part of this weekend, the U.N. Ambassador to Belgium, has said he doesn't think Ronald Reagan is qualified to be President. What do you think? Is he qualified?

THE PRESIDENT: I don't think I ought to pass judgment on that. He was a very good Governor for the State of California, and I don't think I should enter into those discussions.

QUESTION: Mr. President, you expressed confidence that your policies would get you past any primary competition, indeed in the general election, too, and you particularly noted foreign policy.

I would like to ask you a couple of questions about foreign policy, particularly about the recent Middle East agreements.

First of all, is there an agreement to supply Pershing missiles to Israel?

THE PRESIDENT: The documents carefully spell out that we will study with Israel their request for Pershing missiles. It is carefully phrased, and it goes only to the commitment to study the need and necessity for Pershing missiles for Israel.

QUESTION: Senator Howard Baker said here yesterday he believes -- and he emphasized it is only his belief -- that Israel has nuclear weapons now. Could you comment on that?

THE PRESIDENT: I do not know categorically whether they do or do not. Therefore, I don't think I should speculate.

QUESTION: Another missile question. The Hawk missile for Jordan, did you insist that we be assured that those could only be used defensively?

THE PRESIDENT: Certainly, the intent is that those Hawk missiles should be used for defense purposes. It is important for Jordan to have that defensive capability and the intent -- and I think the agreement itself -- is aimed at that direction.

QUESTION: Did Jordan regard it as an insult that we suggested it only be defensive? Is that the only business that was made public?

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THE PRESIDENT: It is a very technical dispute, and it is my opinion that those differences have been resolved -- and I think constructively so -- for the Middle East as a whole.

QUESTION: Mr. President, another concern regarding the Middle East is those 200 American civilians who may go into the Sinai, concern that they may become targets or hostages and that may cause us to make a larger movement of men.

Can you promise that if 200 civilians are sent to the Sinai now more Americans will not have to go in the future?

THE PRESIDENT: There is certainly no intention that that technical contribution be enlarged. I see no reason why it should. As a matter of fact, it is fully understood by the parties that it will not be enlarged.

To compare that to the situation in Vietnam is not an accurate comparison. In Vietnam, there were two parties at war, and the American initial contribution back in 1961 was at the request of one party and in opposition to the other party.

In this case, both Israel and Egypt requested our contribution, so it is a totally different situation and there is no intent on our part to enlarge it. There is no request by either party to enlarge it. So, I see no possibility of that happening.

QUESTION: Supposing there was some kind of an attack on those people by the Palestinian Liberation Organization? What would this country's response be?

THE PRESIDENT: Of course, our effort would be to bring those American technicians out of the area in case of any forecast of trouble arising in the area. They are there, will be there, in the U.N. buffer zone along with the 7,000 or 8,000 U.N. forces, and I think they are thoroughly protected.

I think it is an area, in my opinion, at least, that it is safe for those Americans. I think it is well to point out that we have now, I think it is, 15 or 20 Americans there with the U.N. forces at the present time.

So, this is a very technical contribution in a protected area, the U.N. buffer zone. So, I don't think that problem is going to arise.

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QUESTION: Mr. President, the Congressional Budget Office reported this week if the Federal Government would increase the deficit by another \$25 billion, would put a million people back to work who wouldn't otherwise be put back to work, by the end of 1977, with a very tiny increase in inflation. If that is true, why don't you do it?

THE PRESIDENT: An extra \$25 billion to a \$61 billion deficit would have serious ramifications.

QUESTION: Is that study wrong, that Congressional Budget Office study wrong?

THE PRESIDENT: I respectfully disagree. I think there is a better way of approaching the problem. Of course, their recommendations came out prior to the announcement on Friday that we have made very significant progress in the battle against inflation, and I think it is important to point out that in the last eight months the cost of living has gone up 4.8 percent on an annual basis compared to a figure for the previous comparable period of an inflation rate of 8.3 or 8.4, so the Congressional Budget recommendation for a \$25 billion increase in the deficit, taking it up to \$85 or \$86 billion is the wrong approach, predicated on the facts that were revealed by the Department of Labor on Friday.

QUESTION: The Governor of California, among others, thinks that the growing costs of energy and raw materials, demands from the poor nations for more of what we have, all this means that our days of significant economic growth are over.

Do you agree?

THE PRESIDENT: I am an optimist, and I respectfully disagree with the Governor that we should predicate our future on a less well-off society than we have had in the past. We will have certain periods of time where we will pay more for energy or there will be some energy scarcity, but it doesn't mean that the United States should expect a period of dismal progress.

I think the United States, if we adopt the right policy, can expect continued growth in a substantial and constructive way. If we approach it from the pessimistic point of view, I think we are adopting the wrong attitude.

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QUESTION: You say if we adopt the right policies. Does that suggest that we have not yet adopted it?

THE PRESIDENT: Let's take the energy problem. If the Congress doesn't act for a constructive approach to the energy problem, yes, we will have difficulty. We have been prodding the Congress, pushing the Congress, cooperating with the Congress, and yet they have done literally nothing.

Fortunately, we may be coming out of it on the right side, even if the Congress doesn't do something, but I would rather do it on a phased decontrol basis rather than an abrupt end of controls.

QUESTION: Congressman Roybal said yesterday that he did not think you had cooperated sufficiently or compromised, I think is the way he put it.

THE PRESIDENT: Let me just cite some figures that I did yesterday in Oklahoma. Since January, when I submitted a program, an energy program, I have personally consulted with 51 out of 100 United States Senators. I personally consulted with 305 or 310 of the 435 Members of the House of Representatives.

I have recommended two phased decontrol programs. They have rejected both of them. I have gone more than halfway, and I regret -- and I think it is unfortunate -- that the Congress has not responded.

I still think that there is a chance they could at least do something, but if they don't do something, then I think we also are in a position where we will come out of it in good shape.

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QUESTION: Mr. President, in times past and in times of national problems, other Presidents have called on the American people to serve the country in various ways. It seems to me a lot of people are willing, even eager, to do the same thing now but they aren't sure exactly how. What would you like to ask the American people to do?

THE PRESIDENT: I am not pessimistic at all that the American people will not respond. As a matter of fact, as I travel around the country I find the American people are eager to cooperate. They can do it in a number of ways. The first is to impress upon their representatives in the Congress, Senators and Congressmen, that we have to move ahead, whether it is in energy, or the economy, or national security. I note a slight change in the attitude of the Congress because I think the American people are having an impact.

QUESTION: Indeed that is what you are trying to do.

THE PRESIDENT: That is exactly what we are trying to do and I note some slight improvements in the attitude of the Congress in trying to cooperate with me and I certainly am going to bend over backwards, and I think I have in that area.

QUESTION: During the past week we have heard that the intelligence apparatus in this country deliberately defied the press, the people and the Congress about the size of the enemy during the TET offensive in the Vietnam War. What do you think about those remarks that were made and how do you feel as a former member of Congress about having been intentionally defied?

THE PRESIDENT: If it is a fact, and I think the committee ought to get others to testify who might have a different view.

QUESTION: Are you making an independent effort to find out if it is right?

THE PRESIDENT: That is one person's testimony, a former employee. To get a balanced appraisal, I honestly think the committee ought to call other witnesses. And that brings up a basic decision that I have made. Under no circumstances will we in the Executive Branch hold back any more that might involve a criminal activity or a mistake that was made. As a matter of fact, I have ordered the people who have the immediate jurisdiction to make any and all information available. I think it is important that the record be laid out with this exception, we should not in the process of making this information available reveal sources of intelligence information either by individuals or by mechanical means.

Yes, if people made mistakes, the public ought to know about it. Yes, if there is any criminal activity involved, that ought to be made available and action ought to be taken. But I do not think we should just throw open our intelligence sources. That is a serious problem.

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QUESTION: Mr. President, public confidence is established in people and in institutions, we are told public confidence was established in you by your firm handling of the Mayaguez affair. I think we can suggest in recent days public confidence has been re-established in the FBI by the capture of Patty Hearst. What is it going to take to re-establish public confidence in the Central Intelligence Agency, or are they such a secret agency they can never boast about their victories?

THE PRESIDENT: I think your last comment is one of the problems. The committee investigations in the House and Senate, if conducted properly, can, I believe, illustrate that mistakes were made but overall some great accomplishments were achieved. I have the benefit of the Rockefeller Commission recommendations and the Murphy Commission recommendations and in a relatively short period of time I will make some administrative decisions that will improve the working operations of the intelligence community, including the CIA, and I will propose to the Congress some legislative recommendations which will likewise, in my opinion, improve our intelligence gathering communities. But you are never going to have the intelligence community where it will have the opportunity to brag about its accomplishments because it is so important that we not involve sources and, therefore, they have a tough PR problem.

QUESTION: Mr. President, you have said that State courts in their effort to integrate the schools have ignored less drastic alternatives than busing. What specifically do you mean -- which less drastic alternatives?

THE PRESIDENT: The Congress in 1974 approved what was labeled the Esch Amendment, laid out six or seven specific guidelines for the courts to follow. The last of the recommendation to achieve what the courts should do was busing -- court ordered forced busing to achieve racial integration. Those steps, and I was in the Congress part of that time and I signed the bill that became law, those steps include a magnet school, utilization of the neighborhood school concept, the improvements of facilities, et cetera. I hope that in the future, as some course in the past, recent past, will utilize those guidelines rather than plunging into court ordered forced busing as the only option for the settlement of the segregation problem in the school.

QUESTION: The whole option to busing tends to get confused with racism and there are a lot of racial epithets and what not being thrown about on the protest line. Do you have anything to say about that? You are opposed to busing but how do you make the distinction?

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THE PRESIDENT: I don't think opposition to busing really has any relationship to racism on the part of most people. I think the best illustration, one of the rising young columnists in the country, Bill Raspberry, a black, has been most forceful and most constructive, I think, in opposing the court approach in many cases.

I have been opposed to busing as a means of achieving quality education from its inception. My record in the Congress in voting for civil rights legislation is a good one, so I believe that the real issue is quality education. It can be achieved better for disadvantaged people, minorities, by other means.

I have sought, through the support of the Esch amendment, through adequate funding, to help Boston and other communities where this problem exists, to upgrade their school system rather than to have this very controversial approach of forced busing.

QUESTION: Do you think it will be an issue in next year's campaign?

THE PRESIDENT: I hope it won't.

QUESTION: Mr. President, during your visit here, have you made any plans to telephone or visit former President Nixon?

THE PRESIDENT: I haven't made any specific plan, no.

QUESTION: Do you intend to?

THE PRESIDENT: I may.

QUESTION: Do you see any role for him in national life in the future?

THE PRESIDENT: I think that is a judgment he has to make, and I really can't tell you whether he will or he won't, but that is a personal judgment on his part.

QUESTION: You say you may contact him. What is it that you want to say to him?

THE PRESIDENT: Well, he is an old friend, and I have known him and worked with him in the past. What has happened in the past, or recent past, I don't think should destroy a personal friendship.

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QUESTION: Mr. President, there has been a minority report from your amnesty panel being very critical of Charles Goodell saying that he misinterpreted and he violated the spirit of the amnesty program in granting amnesty or seeking amnesty for felons. Would you comment on that?

THE PRESIDENT: That was a very controversial area, as I am sure you recognize.

QUESTION: Mr. President, our time is almost up.

THE PRESIDENT: I felt I had to do something, and I can understand, with the strong people on that board, that there might be controversy.

QUESTION: Mr. President, gentlemen, I am sorry, our time is now up.

Our warm thanks to the President of the United States for joining us here in Los Angeles. NewsConference will be back next Saturday at the same time when our guest will be Senator Howard Baker, Republican of Tennessee.

I am Bob Abernethy, KNBC News, with Jess Marlow and Warren Olney.

END (AT 9:28 A.M. PDT)

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Remarks: The attached two items from the White House Press Secretary's office came to us from the White House marked for "George Bush and Tony Lapham." Presume they are from Jack Marsh, but could not tell from the envelope.

B. C. EVANS
Executive Secretary
8 Oct 76

Date

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